Merger of Insurance Companies

*198. SHRI JOHN F. FERNANDES: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the four nationalised insurance companies, namely, United India Insurance, New India Assurance, National Insurance and Oriental Insurance Companies are still functioning separately thus duplicating their work and straining financial resources and leading to unhealthy competition;

(b) if so, what steps Government are contemplating to amalgamate these companies into one body;

(c) by when this unification process is likely to be completed; and

(d) whether Government contemplate to do away with Commission system practised by the agents?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The four nationalised insurance companies *viz.* (i) National Insurance Company Ltd., (ii) New India Assurance Company Ltd., (iii) Oriental Insurance Company Ltd., and (iv) United India Insurance Company Ltd. are functioning as independent companies under the provisions of the General Insurance Business (Nationalisation) Act, 1972. As envisaged therein, the four companies work in competition with each other with a view to ensuring service to the insuring public. There is no duplication of work or straining of financial resources. There is also no unhealthy competition among the four companies.

(b) and (c) There is no proposal to amalgamate the four companies into one body.

(d) No, Sir, since in insurance business all over the world (as also in India), the agent forms an important link between the client and the insurance company, and the rate of commission payable to agents is fixed by the General Insurance Corporation of India.

Central Taxes Collected from West Bengal

*199. SHRIMATI KANAK MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) what is the total revenue collection from West Bengal in 1987-88, from each Central tax; and

(b) what is the total amount of each tax returned to West Bengal during the same period?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) The total Revenue collected from West Bengal in 1987-88 from each Central Tax is as under:

(Rs. in Crores)

Excise Duty	Customs Duty	Income-Tax (including Corporation Tax)	Estate Duty	Wealth Tax	Expenditure tax	Gift Tax
988.89	1,905.77	539.96	0.69	8.77	2.02	0.63